



# **CURRENCY**

## **Committee on Financial Services**

**Michael G. Oxley, Chairman**

**For Immediate Release:**

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### **OXLEY COSPONSORS GEKAS LEGISLATION TO REFORM BANKRUPTCY LAW**

**WASHINGTON---House Financial Services Committee Chairman Michael G. Oxley (R-OH) is an original cosponsor of legislation introduced yesterday by U.S. Rep. George Gekas (R-PA) to reform the nation's bankruptcy law. Because bad debt is ultimately passed on to the consumer, every American family pays the freight for bankruptcy, a cost estimated at \$550 per family per year.**

**"The system doesn't work, because those who responsibly manage their money are penalized and must pay for those who don't," Oxley said. "This takes the form of higher prices on consumer goods and higher interest rates."**

**The legislation would require those who are able to pay their debts to work out repayment plans. Also, means testing would address the flaw in the system that encourages people to file for bankruptcy and walk away from their debts.**

**Strong bankruptcy reform legislation passed the House and Senate by comfortable margins in the last Congress. The measure died when President Clinton opposed the legislation and exercised his pocket veto authority.**

**The House Judiciary Committee and the House Financial Services Committee have received the bill for consideration.**

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